986/1

CHICAGO DISTRICT

DIRECTOR'S NEWSLETTER

INTERNAL REVENUE SERVICE MARCH 1986

Errors Delay Processing, Refunds

Listed below are the problems that cause delays in processing tax returns. The errors that are shown are the most common errors on practitioner-prepared returns that were filed from the Chicago District last year.

Form 1040

1. The wrong amount of tax was picked up from the tax tables.
2. The earned income credit was not claimed or was figured incorrectly.
3. The taxable amount of Social Security benefits was figured incorrectly.
4. The amount of refund/balance due was incorrectly computed.
5. The total amount of income reported was added incorrectly on page 1.

Form 1040A

1. The wrong amount of tax was picked up from the tax tables.
2. The earned income credit was figured incorrectly.
3. The earned income credit was not claimed on the return.
4. The amount of refund/balance due was incorrectly computed.
5. Child care credits were incorrectly calculated.

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Form 1040EZ

1. The wrong amount of tax was picked up from the tax tables.
2. The refund/balance due amount was figured incorrectly.

Handling Practitioner Tax Law Inquiries

Several years ago the Chicago District established procedures for handling tax law inquiries received from practitioners. We ask that you follow these guidelines if you need assistance:

- All practitioners will be advised that they should research questions first, prior to contacting IRS.

- If you are unable to determine an answer, contact Taxpayer Service and state where you researched and your tentative conclusion.

- If a front-line employee determines that a Taxpayer Service Specialist cannot answer with a minimum of research, you will be advised to submit the inquiry to IRS in writing.

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READEX FICHE best copy available

Director's Newsletter

Federal Tax Deposits Notices-CP-102, CP-108

The Service announced that it has two new letters to help explain to business taxpayers where their Federal Tax Deposits were applied. These notices were designed to address the continual problem of correct application of FICA and income tax withheld by employers. Beginning January 1, 1986, a balance due notice (CP-102) will list up to 18 FTD payments, by date and amount. This list will help business taxpayers reconcile their records with what IRS had credited to their accounts.

When an FTD coupon is received and is incomplete (no type of tax and/or tax period designated) or otherwise cannot be scanned properly, the payment will be applied to Form 941 for either the current or prior quarter. A notice (CP-108) will tell the business where the money was credited. The notice will have a stub attached so the business taxpayer can use it to notify IRS if the payment was applied in error. These notices will help solve some of the problems business taxpayers have had with their FTD payments being credited to the wrong type of tax or tax period.

Returns Preparer Computerized Tax Return Service - Rev. Rul. 85-187, 85-188 and 85-189, IRB 1985-48

The Service issued guidelines for return preparers involved in computer aided preparation of tax returns. Rev. Rul. 85-187 concerns those firms who furnish a computerized tax return preparation service to tax practitioners which could, in certain cases, qualify them as a tax return preparer. Rev. Rul. 85-188 deals with farmers cooperative credit associations preparing Schedule F as part of a computerized data processing system for use by members of the association that could result in being classified as an income tax preparer, providing the Schedule F is a substantial part of the return. Rev. Rul. 85-189 concerns those who prepare a computer program for sale to taxpayers; they may be income tax preparers if taxpayers use the program for their return.

Copies of IRS Strategic Plan

In the October, 1985 newsletter we advised you that Document 6941, IRS Strategic Plan, was available through our Kansas City Service Center.

At that time, we failed to indicate that requests for copies of the IRS Strategic Plan will be handled as a regular Freedom of Information Act request. The cost will be $41.50. We sincerely regret any inconvenience we may have caused.

Use of Magnetic Media to Report W-2 Information

The IRS has recently issued proposed regulations that would require employers filing large numbers of information returns on Form W-2 to use magnetic media instead of paper forms. Beginning in 1987, employers who must file 500 or more of these information returns will be required to use magnetic media. The threshold will fall to 250 or more information returns in 1988 and later years. Similar requirements would apply to persons filing certain other information returns. Magnetic media reporting is currently required of persons who file more than 50 returns reporting interest, dividends or patronage dividends or any returns reporting proceeds from broker and barter exchange transactions. These requirements would continue under the proposed regulations.

The proposed regulations would apply only to returns filed after Dec. 31, 1986. However, filers are encouraged to begin using magnetic media as soon as possible and may voluntarily file on approved magnetic media for returns filed in 1986. The

regulations are required by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and the Interest and Dividend Tax Compliance Act of 1983. The proposed regulations generally require magnetic media reporting for tax information called for on the following forms:

- Form W-2, for wages and salaries
- Form W-2P, for annuities, pensions, or individual retirement arrangement (IRA) payments
- Form W-2G, for gambling winnings
- Form W-4, for employee withholding
- The Form 1099 series of information returns
- Form 1042S, for withholding for foreign payees
- Form 1098, for mortgage interest
- Form 5498, for IRS information
- Form 6248, for windfall profit tax
- Form 8027, for tip income and allocated tips

Filers who can show that filing information returns on magnetic media could be more costly than filing them on paper returns can request a hardship waiver, according to a provision of the proposed regulations. The regulations specify that written requests for a waiver would be due by June 30, 1986 for Forms W-2 and W-2P to be filed in 1987, and by June 30, 1987 for those to be filed in 1988. For all other returns, requests for a waiver must be made at least 90 days before the return is due.

Magnetic media filers would be required to obtain approval of the medium used to report information. The proposed regulations provide that applications for approval of a magnetic medium are due at the same time as requests for waiver. It is anticipated that procedures will permit certain filers to seek approval or waiver, as alternatives, by filing a single application.

Generally, requests for waiver and applications for approval of a magnetic medium are to be filed with the IRS. However, applications for approval of a magnetic medium used to report the information called for on Forms W-2 and W-2P must be filed with the Social Security Administration (SSA). The proposed regulations were published in the Federal Register on Sept. 18, 1985.

Contributions to AMVETS

In a determination letter dated October 22, 1985, which was based on information recently submitted to IRS by AMVETS, contributions of clothing and household items to AMVETS are deductible by the donors.

Taxpayers who donated such items last year can claim them on their 1985 returns. Taxpayers who donated to AMVETS in prior years can amend their returns to claim such contributions by using Form 1040X. Amended returns must be filed within three years from the date the original return was filed or within two years from the time the tax was paid, whichever is later. A return filed early (prior to the filing deadline) is considered filed on the due date.

Interest Rate Decreased to 10 Percent

The annual interest rate charged on tax underpayments and paid on tax overpayments decreased from 11 to 10 percent on January 1, 1986. The annual rate on underpayments of required installments of individual and corporate estimated tax also will decrease to 10 percent.

The rate on underpayments of more than $1,000 arising from tax motivated transactions will be 12 percent after December 31, 1985. Tax motivated transactions include excessively high valuations, certain tax shelter losses, certain straddles, and any use of an accounting method specified in regulations as a use that can substantially distort income.

Rev. Rul. 85-169, which explains how the rate was determined, was published in IRB No. 1986-44, dated November 4, 1985.

Certain Fringe Benefits Taxable

Employees who receive certain fringe benefits will have the value included in their income this year.

The IRS has issued regulations that spell out which fringe benefits are considered income, and thus taxable, and which are not. Fringe benefits considered income, and subject to tax, include use of company cars for commuting or other personal use and use of company aircraft for nonbusiness purposes.

An employee who drives a company car will be taxed on the value of any personal use of the vehicle. Workers who drive company cars home at night but do not use them for other personal purposes will be taxed on a commuting value.

A commercial airline employee will not be taxed on passes for himself, his spouse, or his children, but will be taxed if such passes are turned over to other relatives or friends. The amount subject to tax generally will be 50 percent of the full coach fare.

Fringe benefits considered tax-exempt under these regulations include employer-financed health insurance and the first $50,000 of group life insurance. Other tax-free benefits include qualified employee benefits that are considered part of working conditions, such as company-paid subscriptions to business-related magazines.

J. L. Stamey
District Director

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Internal Revenue Service

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director's memorandum

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Law Enforcement Torch Run for Special Olympics

In 1983, Wichita Police Chief Richard LaMunyon initiated a Torch Run for Special Olympics as a way to build cooperation and understanding between the Wichita Police Department and the community. With the support of the International Association of Chiefs of Police, the idea of a Law Enforcement Torch Run for Special Olympics expanded nationwide in 1986, to include all fifty states and the District of Columbia.

Dan Hartnett, Deputy Associate Director for Law Enforcement served as chairman for the first District of Columbia Law Enforcement Torch Run. On May 30th, over 750 federal and local law enforcement officers ran in the DC Law Enforcement Torch Run. They carried the lighted Special Olympics Torch on a 25-mile route from the steps of the U.S. Capitol to Gallaudet College, site of the Spring Games.

Senator James Abdnor (R-SD) and Congressman Mario Biaggi (D-NY) were sponsors of a resolution that allowed the Opening Ceremonies to be held at the U.S. Capitol. Those in attendance at the Capitol included: Attorney General Edwin Meese III; Charles Parkinson, Staff Director-Senate Appropriations Committee; Tex Gunnels, Staff Director-House Appropriations Committee; Joseph DiGenova, U.S. Attorney for DC; Jerald Vaughn, Executive Director, International Association of Chiefs of Police (IACP); Chief Isaac Fulwood, Metropolitan PD; Chief Angus MacLean, Metro Transit Police; Chief Lynn Herring, U.S. Park Police; Chief James J. Carvino, U.S. Capitol Police; Ms. Brigitte Nielson; Sylvester Stallone; Hugh Samuels, DC Special Olympics Athlete of the Year; and Vincent Gray, President of the District of Columbia Special Olympics. Many other heads and executives of law enforcement agencies were also in attendance and ran the first mile of the route.

Before the Torch Run, Director Higgins hosted a reception at ATF Headquarters for Mr. Stallone and his wife Brigitte Nielson, who were lending their support to the Torch Run as representatives of Special Olympics. Others at the reception included Francis A. Keating II, Treasury Assistant Secretary for Enforcement and Associate Directors William T. Drake and Phillip C. McGuire. Mr. Stallone was also given a tour of ATF's gun vault.

Lieutenant Dan Kerr of Metropolitan Police receives Torch from Howard Samuel, DC Athlete of the Year, Attorney General Meese and Sylvester Stallone

Attorney General Meese addressing participants in the D.C. Torch Run at the U.S. Capitol

Attorney General Meese, as honorary chairman for the DC Torch Run, told those present for the opening ceremonies that, "This year, law enforcement has decided to expand even further its support for Special Olympics under the sponsorship of the International Association of Chiefs of Police...officials from federal, state and local law enforcement agencies are all entering into a new relationship with Special Olympics." He also said that, "I think that this law enforcement support of Special Olympics is indicative of police and community groups working together to promote community goals and common interests that they hold."

Jerald Vaughn of IACP said, "This wasn't a project that allowed law enforcement to just help Special Olympics. This has been probably the most tremendous project undertaken by law enforcement." He went on to say that, "All across this country, there are literally thousands of law enforcement officers who are out there, not only raising money so that the games can occur, but actually working the games themselves."

After presentation of the colors by the U.S. Capitol Police Ceremonial Color Unit, Attorney General Meese presented the lighted Torch to Lieutenant Dan Kerr of the Metropolitan PD to begin the run.

(Continued on page 5)

ATF Laboratory 100 Years of Service
Part II 1900-1919

In 1900, C.A. Crampton, chief chemist, found himself testing some counterfeit paper for wood fibers as a step toward establishing the date of the writing. His examination found jute, hemp and perhaps linen but no wood fibers. Crampton wrote, "You may be able to do something with the ink." Today the ATF Laboratory is known worldwide for its ink analysis work.

The lab in 1900 was housed in the main Treasury Building on the fourth floor. Peter Valaer Jr., who worked in the lab for 50 years wrote in his recollections that. "The lab did all the chemical work for Internal Revenue, a great deal for Customs, the Department of Justice, the Treasury Redemption Agency, some for Treasury's Secret Service and the Bureau of Engraving and even the Department of Agriculture."

By the 1900's the laboratory was identified as the Division of Chemistry in the Bureau of Internal Revenue. Its duties and responsibilities were broadened considerably in 1906 with the passage of the Denatured Alcohol Act and another amendment the next year on the use of denatured alcohol. In 1907, an amendment to the Act dealt with the withdrawal from bond, tax free, of domestic alcohol when rendered unfit for beverage or liquid medicinal uses when mixed with a suitable denaturing ingredient. The chemists were now responsible for testing and approving a manufacturer's denaturing formula. They also began the search for a perfect denaturant, a search that continues today as denaturing ingredients become obsolete or are replaced for other reasons.

In 1909, the salaries of the chief chemist and four assistants totalled $8,500. A year later, the separate denatured alcohol laboratory was merged with the regular lab, bringing the staff to seven, with combined salaries of $13,300. A. B. Adams became chief chemist in 1910. He was paid $3,000 a year. The seven chemists who comprised the Division of Chemistry were responsible for protecting the nation's largest revenue source, beverage alcohol, since there was no income tax at this time.

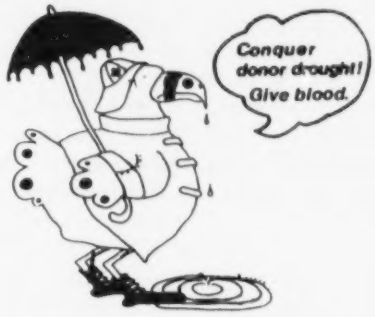
One of the earliest reorganization efforts of the lab was in 1909 with the suggestion that the chemistry division's responsibilities and work be transferred to the Agriculture Department's Bureau of Chemistry. Internal Revenue Commissioner Royal E. Cabell wrote to Treasury Secretary Franklin MacVeagh that, "To remove (the lab) from the control of the Treasury Department would be highly detrimental to Internal Revenue and seriously handicap the enforcement of the revenue laws and responsibilities." This theme, that the Division of Chemistry was vital to Internal Revenue's work, was repeated time and again as commissioners fought successfully through the years to maintain the division's autonomy.

Chemists for years had been involved in narcotics investigations and testimony. An act to prohibit the importation of opium was passed in 1909 and the Division of Chemistry was the only lab able to conduct the tests. The Smoking Opium Act of 1914 and the Harrison Narcotics Act brought vast amounts of work to the Lab.

One of the laboratory's major contributions to the war effort during World War I was the development of a process for manufacturing synthetic glycerin. Glycerin is a key component of some high explosives. The chemists succeeded after three months in developing a process for recovering from the fermentation of sugar any quantity of glycerin required. The process was tested in an industrial plant and was found to be not only of benefit to the military but also capable of being produced commercially for profit.

By the early 1900's, the Division of Chemistry had become an important component to Internal Revenue. The Commissioner wrote that, "All in all, the Division of Chemistry is second in importance to no division in the Bureau and there is still great room for extension and development of its work."

Note: This article on the ATF Laboratory is part of a series that will be published commemorating its 100th anniversary. Anyone who has photos, publications or personal recollections about the lab should contact the Office of Public Affairs at (202)-566-7135.



Conquer Donor Drought

A current Red Cross Blood Services message points out that "a summer donor is a rare bird" and that's the problem. As regularly as the change in season, Red Cross can anticipate a decline in blood donations during the vacation period. At the same time, however, the need for blood and blood products does not relax. Indeed, increases in outdoor accidents can exert pressures on the available blood supply.

You can help Red Cross deal with this problem by giving blood not only during the summer months but throughout the whole year. Contact your local ATF Blood Drive Coordinator for information on when the next blood drive is scheduled. Only you can help meet the need for blood.

"Washington Update"

Q: People need to work part-time for different reasons. Does the Bureau acknowledge this employee need and positively promote a program for career part-time positions? If not, why not?

A: "Career part-time positions do exist within the Bureau, but the decision as to hiring qualified applicants is made by the supervisors and managers in their various program areas," reports Art Reid, HQs Coordinator for the Part-Time Employee Program.

There are seven ATF employees now working in career part-time positions. While limited in numbers, the level of satisfaction is extremely high for those employees. They all report that their supervisors are very supportive. ATF benefits because these employees exhibit exemplary work attitudes in wanting to carry their fair share in the work load. In order to maintain competent control of their duties, these employees are dedicated to finishing the work, wanting to clear up all emergencies and complete their tasks, not wanting to leave it for someone in their absence.

The Federal Employees Part-time Career Employment Act of 1978, P.L. 95-437, directs Federal agencies to provide increased part-time opportunities at grade levels up to GS 16 or equivalent. Part-time career employment means part-time employment of 16 to 32 hours a week under a schedule consisting of equal or varied number of hours per day. Although this program is open to grade levels up to GS-16, ATF part-time carreer employees range from grades GS-3 to GS-7.

Susan Sabella, a 12-year ATF employee at the Illinois District Office, reports, "I was glad to see my supervisor approve of part-time." Management was "very agreeable" when Sabella's new family responsibilities prompted her to request part-time for her Administrative Aide Position at the beginning of this year. She values the opportunity to give full commitment to both her ATF position and to her family. This is the "best of both worlds," according to Sabella. Completely satisfied, she could not name one drawback to working part-time.

Another 12-year ATF employee, who recently started working part-time, has a tour of duty for only six months in order to meet a specific personal emergency. That person plans to return to full-time at the end of the six months.

There are notable costs to the part-time employee which were addressed by Carol Campbell, Contract Officer, at HQs: paychecks, promotions, and retirement are prorated. Promotions and retirement require more time in-service in order to acquire the same actual hours worked as a full-time employee. (Prorating retirement for part-time employees was recently established in April 1986.) At the same time, employees are eligible for life insurance and health benefits. During reductions in force, employees can compete only for other part-time jobs.

Campbell finds that "work and family are very important to me" and plans ultimately to go back to full-time. She has worked part-time for the federal government for six years. Staying up-to-date in the procurement field is very important to Campbell's career, so she belongs to and attends the local meetings for the National Contract Management Association.

Two Applicant Examiners in the Cincinnati Technical Services Office work in another form of part-time employment—job sharing. Job sharers have separate position descriptions which may or may not be identical. Both Jacqueline Hausman and Janice Stockelman have previously worked full-time for ATF. Hausman did hold the part-time position first, which evolved into the three year job sharing position with Stockelman. Their two part-time positions have the equivalency of one full-time position. Stockelman reports, "It has worked wonderfully for our children." And good for both of them too, since each has received a promotion during their job sharing. Promotions amongst part-timers are not an uncommon report.

The next "Washington Update" will feature your questions and comments to this article; what personnel and training are doing to support part-time career employment; the concerns of supervisors and managers and their questions about creating part-time career positions; and reports from those supervisors who already have done it.

Please write to the Director's Memorandum "Washington Update" with other questions or with your comments on part-time career employment and job sharing. You can also contact Art Reid at HQs Personnel Branch, FTS 566-7321, with any questions regarding part-time employment.

ATF Officials Testify Before Congress

Glock 17

On May 15, Deputy Director Phillip C. McGuire testified before the House Subcommittee on Crime to discuss the issue of "plastic" firearms. In reference to the Glock 17, McGuire testified, "To the best of ATF's knowledge there is nothing inherent in the Glock that would assist anyone in smuggling it, and ammunition for it, in a usable fashion through properly maintained x-ray and magnetometer screening such as that currently in use for security reasons." McGuire suggested that ATF work with the Congress and the FAA on the issue of firearms composition and security standards.

(Continued on page 4)

Al Johnson Dies

Alfred C. Johnson, 56, a senior firearms examiner with the National Laboratory Center, Rockville, MD, died April 19 after a heart attack.

During Johnson's 10 years with ATF, his international reputation and exceptional ability to reconstruct the crime scene brought numerous requests for his expertise from Federal agencies, district attorneys, medical examiners, and forensic pathologists. His technical advice was routinely sought for major or unusual homicide and shooting cases.

Among his accomplishments, he was chosen to testify before the Select Committee which reexamined President Kennedy's and Dr. Martin Luther King's assassinations. The State Department also requested his expertise in investigating the assassination of the husband of Philippine President Corazon Aquino.

" 'A.J.' left a lot of work behind," reports Dan Garner, Chief of Forensic Science Laboratory. He also valued Johnson's quality of "reach and push" that he contributed to his position. Johnson testified in over 200 criminal cases and worked hundreds of homicides using his expertise in ballistic comparisons. With this courtroom experience, Johnson had overall responsiblity for the Moot Court course held for AFT personnel at the National Laboratory Center which preceded the ATF Courtroom Procedure Course at Glynco. He helped develop and present the Glynco course which was held in 1984 and 1985.

Before joining ATF, Mr. Johnson spent 20 years with the New York Police Department, retiring in 1975 as a detective in its firearms identification section. He was the designer of the stainless steel water table system used in bullet-recovery and comparison operations by the NYPD which he later modified and improved at ATF. He also helped develop several optical systems that are now widely used in ballistics.

Congress

(Continued from page 3)

"Non-alcoholic" Labeling

On May 19, Deputy Associate Director Dan Black spoke to the House Subcommittee on Select Revenue Measures, Committee on Ways and Means testifying on the tax treatment and labeling of "non-alcoholic" and alcohol-free" beer and wine.

"Historically, the term 'non-alcoholic' without further qualification has been used to describe malt beverages containing less than one half of 1% of alcohol by volume," Black said. He also said that ATF will continue to protect consumers from being misled by requiring the statement "contains less than 0.5% alcohol by volume" to appear on such product labels. With regards to the term "alcohol-free," Black stated that "We firmly believe that the term "alcohol-free" on a malt beverage label should reflect the fact that the product does, in fact, contain no alcohol."

DEG

Deputy Director William T. Drake discussed the role of ATF in dealing with diethylene glycol contaminated imported wines with members of the House Commerce, Consumer and Monetary Affairs Subcommittee of the Committee on Government Operations on May 28.

"ATF succeeded in protecting the consumer," Drake said. "Not one confirmed report of any deaths or illness was reported in the United States resulting from the DEG-contaminated wines." Drake also said. "We were faced with an immediate problem in which we had to act quickly. Our first priority was to get the contaminated wines off the shelves because they posed a potential threat to the health and safety of the American wine consumer."

Life Insurance Rates Change

The Office of Personnel Management has re-evaluated the premium rate for basic life insurance and the three forms of optional coverage available. The re-evaluation has resulted in a reduction in the premium rates for basic life insurance, for all age categories for the standard optional insurance, and for some age categories for additional optional and family optional insurance. The reductions were effective with the August 1st pay period. For retirees, any reductions were reflected in your September 1st annuity payment.

Contact Doris Logan, Headquarters Personnel Office, at FTS-566-7321 with any questions concerning the basic life insurance premiums and the new retirement system and the various options available.

Torch Run

(Continued from page 1)

Each of the 25 law enforcement entities had a designated mile along the route that they would carry the Torch. The 25 participating entities were: Metropolitan PD; U.S. Customs Service; U.S. Attorney's Office; U.S. Secret Service; U.S. Air Force, Office of Special Investigations; U.S. Capitol Police; U.S. Marshals Service; U.S. Postal Inspection Service; U.S. Marine Corp, Military Police; Drug Enforcement Administration; Supreme Court; National Marine Fisheries Service; U.S. State Department, Bureau of Diplomatic Security; Naval Security & Investigative Command; Federal Protective Service; International Association of Chiefs of Police; Federal Bureau of Investigation; U.S. Army Criminal Investigative Command; Internal Revenue Service, Criminal Investigative Division; Immigration & Naturalization Service; National Sheriff's Association; U.S. Park Police; campus police from Gallaudet College, Catholic University, University of the District of Columbia and Howard University; Metro Transit Police and ATF. The Torch Run culminated at Gallaudet College with Director Higgins passing the Torch to the Special Olympics athletes who took the Torch into the stadium to light the cauldron signifying the opening of the Spring Games.

About the time of the DC Torch Run, other states were holding similar runs to open their state Special Olympics games. Those who participated in their state's run or helped during the games have learned from the courage and determination of the Special Olympians who competed. In the words of Jerald Vaughn at the beginning of the DC Torch Run, "They are becoming not only better people but better police officers... Because they recognize that this is truly a people business and its those people who allow us to do our job."

Mile one—Metropolitan PD and agency heads.

Mile 25—Director Higgins, holding the Torch; ATF Agent Ken Vicchio (R) and IACP member Rich Manville (L).

Director Higgins transferring Torch to Special Olympians

Dan Hartnett and others welcoming runners at Gallaudet College

AD McGuire and Sylvester Stallone at ATF Gun Vault

Police Officers Memorial Day

On May 15, police agencies across the United States honored the hundreds of officers who have died in the line of duty.

Peace Officers Memorial Day and Police Week were first recognized in 1961 when President Kennedy signed Public Law 87-54 which established May 14, 1962 as Peace Officers Memorial Day. Because of the police and public's enthusiasm, observances have become an annual event with Memorial Day occurring on May 15, and the calender week that includes this date is celebrated as Police Week.

Since 1920 to the present, 114 ATF special agents have been killed in the line of duty. Let us reflect and honor those who have died to protect the liberties we all cherish.

ATF special agents killed in the line of duty

William D. Dorsey	1920
J. H. Rose	1920
Stanton W. Weiss	1920
James F. McGuiness	1920
Kirby Frans	1920
Richard Griffin	1920
Richard W. Jackson	1920
Jacob F. Green	1921
Ernest W. Walker	1921
Stafford E. Beckett	1921
Irby U. Scruggs	1921
John Watson	1921
Charles E. Howell	1921
J. H. Reynolds	1921
Jesse R. Johnson	1921
John O'Toole	1922
Joseph W. Floyd	1922
Charles O. Sterner	1922
Howell J. Lynch	1922
Howard H. Fisher	1922
Gary D. Freeman	1922
Atha Carter	1922
Grover C. Todd	1922
Joseph B. Owen	1922
Glen H. Price	1922
John V. Waters	1922
Robert F. Duff	1922
Guy E. Cole	1922
Leroy J. Youmans	1923
George E. Stewart	1923
Robert G. Anderson	1923
Willie B. Saylor	1924
Daniel S. Cleveland	1924
James E. Bowdoin	1925
M. M. Day	1925
John L. Mulcahy	1925
William E. Collins	1925
William F. Potter	1925
Alexander Grant	1925
Remus W. Buckner	1926
Thomas B. Lankford	1926
Vaughan E. Grant	1926
George H. Wentworth	1926
Jacob P. Brandt	1926
Walter C. Mobray	1926
Charles Bintliff	1927
Charles C. Rouse	1927
Hunter R. Storker	1927
W. T. Lewis	1927
George Nantz	1927
Wesley A. Frazer	1928
Walter R. Tolbert	1928
James C. Capen	1928
Irving S. Washburn	1928
Ludwig P. Johnson	1928
Warren Frahm	1928
John Nicola	1928
Lawrence A. Mommer	1929
Charles F. Stevens	1929
Otto P. Butler	1929
Richard J. Sandlands	1929
Dano M. Jackley	1929
Louis M. Davies	1930
Robert K. Moncure	1930
Franklin R. Patterson	1930
Lamar W. York	1930
Albert L. Brown	1930
Robert D. Freeman	1930
Rosie Flinchum	1930
Dale F. Kearney	1930
Ray Sutton	1930
John Fineillo	1930
Mark C. Parsons	1930
Holmer L. Everett	1931
Raymond L. Ezzell	1931
John Wilson	1931
Curtis C. Burke	1931
Walter M. Gilbert	1931
Robert M. Buck	1932
Eugene J. Pearce	1932
Eugene Jackson	1932
James A. Harney	1932
Chester A. Mason	1932
Ballard W. Turner	1932
Ernest B. Vlasich	1932
Howard B. Oursler	1932
Frank A. Mather	1932
Jack E. Kenford	1932
William S. Grubb	1933
Leroy Wood	1933
Otto W. Martin	1933
Harry Elliott	1933
Paul A. Read	1933
Levi G. Trexler	1933
Herman S. Barbrey	1934
E. W. Myrick	1935
William R. Braden	1935
John R. Foster	1936
Wilford W. Thomasson	1937
William J. Jackson, Jr.	1938
William F. Berry	1938
Norval L. DeArmond	1940
Samuel Leeper	1940
Roy W. Griffin	1941
William M. Pugh	1941
Homer V. Colley	1945
Melvin J. Clark	1947
William Leroy Shields	1954
William H. Stuart	1954
Joe B. Cooper	1963
Ralph A. Holt	1963
Charles Covington	1966
Ariel Rios	1982
Eddie Benitez	1983

1920-26	Prohibition Unit, IRS
1927-33	Bureau of Prohibition, Treasury and DOJ
1934-51	Alcohol Tax Unit, IRS
1952-68	Alcohol and Tobacco Tax Division, IRS
1968-72	Alcohol, Tobacco & Firearms Division, IRS
1972-Present	Bureau of Alcohol, Tobacco and Firearms

Recognition

The Director's Award was presented to **William W. Strukel,** Kansas Alcoholic Beverage Control Chief Enforcement Officer on the eve of his retirement on March 14. The Director's Award is the highest award that can be given by ATF.

Mr. Strukel received the Director's Award for his supportive programs which saved countless staff hours for ATF personnel and which resulted in a very high enforcement of special tax collections in Kansas.

Director Higgins cited Mr. Strukel's efforts, coordinated with ATF, which initiated a program whereby the Kansas application investigations of liquor dealers are furnished to ATF, thereby eliminating the need for ATF application inspections. He established a requirement that out of business Retail Liquor Dealers/Wholesalers Liquor Dealers surrender their Federal Basic Permits for cancellation when they relinquish their State licences. He also initiated a change to State Liquor regulations making it a State violation for a licensee not to have a current Federal Special Tax Stamp.

Richard Strobel, Senior Forensic Chemist at Rockville, recently received the National Laboratory Center's second annual "Laboratory System Employee of the Year" award. The award is presented to the most noteworthy contributor of the Laboratory System. Strobel was lead laboratory examiner for the 11 abortion clinic bombings in the greater Washington and Baltimore areas.

Ashland RAC Tim Farrar, Louisville SAC Jim Brown, Chairperson Luci Mount ASIS KY chapter and SA Bill Jurison

R - L Green, Director Higgins, Prentiss, Buffale, Baylor and Hall

William Jurison, Ashland POD special agent, was recently honored by the American Society for Industrial Security's Kentucky chapter as its law enforcement officer of the year.

Jurison, a 10-year ATF veteran, was recognized for his work on the arson investigation at the Castle Lounge in Ashland on October 7, 1984. The joint investigation involving ATF and the Ashland Police and Fire Departments led to federal charges dealing with arson, explosives and firearms violations, interstate transportation of stolen jewelry and TVs, obstruction of justice and solitication to murder a federal witness. The investigation resulted in lengthy prison sentences or probation for the 16 people involved in this major crime ring operating in the Tri-State area.

Special Agent **Robert E. Cousson,** of the Pensacola Office was named as one of the Ten Top Law Enforcement Officers in Florida for 1985. Cousson was recognized as one of the nine runner-ups by the Florida Citizens Against Crime for his outstanding investigative efforts on two bombing cases that made national news; the "Black Widow Murderer" and the Sheppard bombing.

Cousson has been with ATF since 1963 and served in Birmingham, Alabama and Marianna and Pensacola, Florida. This is the first time an ATF agent has been so honored since the inception of the program in 1978.

James Baylor, Leon Buffale, Donald Green, Anthony Hall and Jerry Prentiss were recently recognized by Director Higgins for their efforts during the Ariel Rios building dedication and to acknowledge their overall work in the HQs Mail Room.

Fred Gerlach, Peoria POD Inspector, was honored as the Midwest Region Employee of the Year. Among his accomplishments was working with Law Enforcement on the investigation of the alcohol excise tax fraud case of Jack Augustine. The Assistant U.S. Attorney who prosecuted the case wrote in a letter to Fred that, "Your detailed audit of the business was definitely the single most important factor in convincing Augustine to plead guilty."

Fred has also been an instructor for the Compliance Operations Basic Training Class, investigated the merits of a questionable application for a DSP Registration and prepared a distilled spirits plant work program for revenue protection examinations. In the words of one supervisor, "Fred is a model inspector who always strives for perfection in his work and can always be depended upon to give nothing less than his best, no matter the assignment."

Federal Employees Retirement System

The recent signing of Public Law 99-335 has created considerable interest among federal employees on how the new retirement system affects you and your future plans for retirement.

Following is some general information supplied by the Office of Personnel Management:

1) Employees now subject to Social Security, who have less than 5 years of service under the Civil Service Retirement System (CSRS), will automatically be covered under the new system effective January 1, 1987. No action is required on your part. Such employees will also be eligible to participate in the Federal Retirement Thrift Management System (FRTMS) on a voluntary basis.

2) Employees currently covered by CSRS will have a one-time opportunity to choose between remaining under CSRS and joining the new system. This decision must be made between July 1, 1987 and December 31, 1987. Employees who choose to remain under the old system will have an opportunity to participate in the FRTMS beginning with the first enrollment period on or after July 1, 1987 but will not receive agency contributions to their thrift accounts.

3) Employees retiring under CSRS any time on or after June 6, 1986 are eligible to elect an "alternative form of annunity." Under this election, the employees aggregate contributions are refunded at the time of retirement and a life annuity is calculated. Such employees will be contacted by OPM and provided an opportunity to elect the alternative annuity.

OPM is preparing a descriptive pamphlet on the new system for general distribution which will be available shortly.

Information on the FRTMS and the various savings plans options available to employees will be provided by the Federal Retirement Thrift Investment Board after they are established.

Awards

SPECIAL ACT/ SPECIAL ACHIEVEMENT:

Congressional & Media Affairs
Tom Hill
Sandy Molovinsky-group award

Compliance Operations
Headquarters
Victoria Renneckar-group award

Midwest
Florence Butman
Judy Prescott-Dahlgren
Fred Gerlach
Easter Jenkins
Betty Person
Tresa Strong
Margaret White

Western
John Gibbons

Law Enforcement
Headquarters
Charles Talbert-group award

Comptroller's Office

Administrative Programs Division
Frank Bowers-group award
Mary Ann Carr

Training Division
Betty Murray

Personnel

The following promotions/transfers were recently made or selected:

Law Enforcement	*From*	*To*
Phillip Chojnacki	ASAC, Houston	SAC, Houston
Ronald Comerford	Operations Officer, Special Programs Br., HQs	Program Manager, Drug Task Force, Special Programs Br., HQs
Willi Ellison	SA, Norfolk	RAC, Jacksonville
Ivan Kalister	SA, Group I, Falls Church	Group Supervisor, Group II, Dallas
Charles Pratt	SA, San Francisco	Group Supervisor, Metro Group, Los Angeles
J. Robert Switzer	SAC, Explosives Br., HQs	ASAC, Houston
James Thompson	SA, Sacramento	Polygraph Examiner, San Francisco
Charles Wallace	SAC, Firearms, Tracing Br., HQs	ASAC, Cleveland
Ron Wolters	SAC, Arson Br., HQs	ASAC, San Francisco
Walter Wysocki	ASAC, San Francisco	Regional Inspector, Internal Affairs, San Francisco
Compliance Operations		
Daniel Black	Chief, Program Planning & Analysis Staff, HQs	Deputy Associate Director, HQs
John V. Jarowski	Management Examiner, Program Planning & Analysis Staff, HQs	Area Supervisor, Atlanta
Raymond Myzie	Assistant Chief, Program Planning & Analysis Staff, HQs	Chief, Program Planning & Analysis Staff, HQs
Comptroller's Office		
Robert G. Masarsky	Management Examiner, Department of the Army	Chief, Paperwork & Distribution Management Br., HQs
Frank Weston	Contract Specialist, IRS	Chief, Procurement Section, HQs

Retirements

Robert Acord	Special Agent, Oklahoma City
Robert J. Barnes	Firearms Enforcement Officer, HQs
Edward Chilton	ATF Inspector, Louisville
Dorotha Easterwood	Secretary, HQs
Robert S. Edwards	Special Agent, New York
Hitower Hammac	Special Agent, Mobile
Edward Hoffman	Area Supervisor, Atlanta
Edwin Jonas	District Counsel, Philadelphia
George McGrath, III	Special Agent, Birmingham
Ronald Ohlzen	Special Agent, Miami
Donald Purciarele	Special Agent, Kansas City
Robert Romzek	Special Agent, Detroit
Walter Ryerson	Special Agent, Detroit
Walter A. Saylor	Inspector, Seattle
Robert J. Skopeck	Special Agent-in-Charge, Los Angeles
Bernice Sloan	Clerk-Typist, Philadelphia
Robert H. Williams	Special Agent, St. Paul
Robert Wolski	Special Inspector, Detroit
Michael Zezima	Special Agent, New York

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director's memorandum

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS/DEPARTMENT OF THE TREASURY NO. 3—4 1986

Women in Federal Law Enforcement

APR 8 1987

This year celebrates the 15th anniversary of the change in Federal regulations allowing women in the Federal Government to carry firearms — in effect, opening the doors to women as Federal agents. Women have made major strides since 1971 but there is still a long way to go.

Two support groups working for women and equality recently held training conferences to offer support and solutions to their members.

Interagency Committee on Women in Federal Law Enforcement

"Forward to the Future," was the theme for a training conference sponsored by the Interagency Committee in Washington on May 28-29. Almost 200 men and women from Federal, State and local law enforcement attended the conference. ATF was represented by Dorene Erhard, HQ Planning and Analysis Staff; Gladys Jones, SA Hyattsville; Kay Kubicki, Group Supervisor, Detroit; Phyllis Shantz, SA Falls Church and Margie Moore, RAC Melville (at the time).

Keynote speakers were Francis A. Keating, II, Treasury Assistant Secretary for Enforcement and Victoria Toensing, Deputy Assistant Attorney General, Criminal Division, Department of Justice. Keating noted that the goal of the Interagency Committee-that of battling stereotypes and other barriers-is a goal he wholeheartedly supports. He said that there was room for improvement in the number of women in Treasury law enforcement agencies and pointed out that statistics show ATF (4.2%) and Secret Service (4.5%) have the lowest percentage of women special agents. However, ATF had the highest percentage of women in management positions (5.8%). Keating also stated that Treasury heads have a clear mandate to promote and expand opportunities for women in any way possible and to take action to remove barriers for career growth.

Ms. Toensing, speaking from the point of view of a former Assistant U.S. Attorney and a woman in a male-dominated field, discussed some of the difficulties she has faced in her career.

The two days of workshops and seminars offered subjects ranging from career and personal development to enforcement-related topics.

Pauline Lyttle, co-author of *Why Jenny Can't Lead*, discussed the need for women to understand the system and how it affects their lives on the job and at home. She noted that women in law enforcement are high risk takers and leadership for women in this field is even a greater risk. If women do not support each other, they are alone. Team skills are essential for women to survive and survival is the issue.

Continued Page 4

ATF Women Agents Hit The Media

The first Federal woman agent. . .
The first ATF female agent. . .
The first woman assigned to an arson group. . .
The first woman to purchase firearms undercover from an organized crime associate. . .
The only woman agent who is part of the National Response Team.

On and on the list of "firsts" roll in any discussion of ATF female agents. As part of a campaign to inform the media and the public of the fifteenth anniversary of women becoming Federal agents, ATF women agents appeared in print, on radio and on television. The campaign generated approximately 75 interviews with our women agents telling not only the story of their jobs, but co-incidentally, telling the ATF story, too. All of us who are part of ATF owe a great "thanks" to these women agents who gave generously of their own time and overcame their initial reluctance to talk with the media in order to put the spotlight on women in law enforcement. ■

Undercover & surveillance operations

Sexual Harassment Questionnaire Results

Director Speaks Out

Victims of sexual harassment at ATF identified the perpetrator as most often a co-worker (53.3%), followed by a supervisor (26.7%) or someone outside the immediate office (20%), according to a December 1985 questionnaire mailed to all Bureau employees.

The questionnaire gauged factors on sexual harassment and other forms of discrimination. With the assurance of confidentiality, 1,471 employees (49%) responded to the survey.

Director Higgins shared with the *Director's Memorandum* some of the responses and his views on equal opportunity. The number of employees reporting discrimination was 84 or 2.8% and reporting sexual harassment was 33 or 1.1% of the Bureau population. Higgins said that, "The number of people who reported being victimized in the workplace should be a matter of grave concern for all of us. It is personally disheartening that even one employee believes he or she has been the victim of discrimination or victimized by sexual harassment. I find no solace in the comparatively low number of employees reporting it."

Of those who reported current sexual harassment problems, 24 identified unwanted sexual teasing, jokes, remarks, questions, deliberate touching, leaning over, cornering, pinching, or sexually suggestive looks or gestures. Five persons identified unwanted pressures for favors, unwanted letters, phone calls, sexual materials or unwanted pressure for dates. One person identified sexual assault.

Higgins told the DM that, "Such behavior is simply unacceptable. It is the responsibility of every manager to ensure that the Bureau maintains a working environment for employees that is free from sexual harassment. All employees have the responsibility to conduct themselves properly and to ensure that others are able to work in an atmosphere free from harassment."

Some of the reasons respondents gave for not reporting these incidents to management were that: they thought nothing would be done; it would make the work situation unpleasant; it would be held against them; or they would be blamed. Others indicated that: they saw no need to report it; did not want to hurt the person who bothered them; thought it would take too much time and effort; did not know what action to take; or were too embarrassed.

The Director said that, "The inference that management is perceived as not responsive to incidents of sexual harassment is obviously disturbing. Shortly, I will issue a policy statement on sexual harassment, which will restate that sexual harassment at any level in the Bureau will not be tolerated." Mangers and supervisors will be required to take appropriate action to ensure that the workplace is free from all forms of sexual harassment and any other overt forms of discrimination, including reprisals.

"As Director, I am committed to the principles of equal opportunity. I thank you for your response to the questionnaire."■

McGuire Honored by Interagency Committee

Phillip C. McGuire, Associate Director was selected as the 1986 Outstanding Manager/Supervisor by the Interagency Committee on Women in Law Enforcement.

This annual award recognizes the contributions of the federal manager or supervisor who has fostered recruitment efforts to increase the number of women in law enforcement and who has consistently promoted opportunities for women in Federal law enforcement. McGuire was recognized by the Interagency Committee at their annual awards ceremony for his commitment to and strong support of women in ATF law enforcement.■

Nonforeign COLA Backpay

Are you entitled to a cost-of-living allowance (COLA) backpayment? Perhaps, if you are or were previously stationed in Puerto Rico, Hawaii or Guam.

The settlement of the class action suit *Karamutsu vs. US* requires the Government to make back allowance payments to certain current and former employees who were stationed in those three areas between January 10, 1979 and January 18, 1986.

Computation letters were sent by September 17 to all identified ATF employees for confirmation. The employee list was prepared by HQs Personnel Division and then Financial Management Division determined the COLA amounts. In some instances, employees were overpaid but they will not have to pay the Government back.

If you did not receive a letter, but feel you may qualify for the COLA backpayment, contact HQs Employment Branch at (202) 566-7321 or send a letter including your name, current address and social security number to ATF Employment Branch 1200 Pennsylvania Ave. NW, Washington, DC 20226.■

Dorene Erhard, Treasury Co-chair presenting award to McGuire.

ATF Laboratory 100 Years of Service Part III: 1919 to 1934

In 1919, the 19th Amendment to the Constitution was ratified, ushering in the Prohibition Era. Under the provisions of the National Prohibition Act, commonly known as the Volstead Act, the Bureau of Internal Revenue's Prohibition Unit had jurisdiction over the illicit manufacture, sale or tranportation of intoxicating liquors for beverage purposes. Distillers were required to dispose of the on-hand products, amounting to 58-60 million gallons of beverage alcohol.

The Division of Chemistry had functioned directly under the Commissioner until December 22, 1919 when it was made a part of the newly created Prohibition Unit. With its duties expanding, the Chemistry Division was renamed the Division of Technology. The Internal Revenue Commissioner wrote that, "The importance of the work of this division has been greatly enhanced . . . the industrial importance of alcohol as the principal material in the beverage industry has been eliminated and its importance as a basic raw material in chemical industries has been intensified."

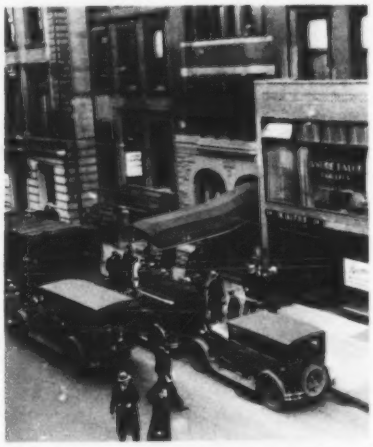
The chemists were continually developing new specially denatured alcohol formulas for use by industries. As soon as it was learned that bootleggers had "cracked" or succeeded in cleaning a formula, it was withdrawn and a new one authorized. By the middle 1930's, 12 formulas had been cracked.

On October 15, 1920, the Division of Technology was divided into a Permit Division and the Industrial Alcohol and Chemical Division (IACD). The IACD was responsible for the chemical work of the Internal Revenue; administered the industrial alcohol provisions of the Volstead Act; and also certain work in connection with distilled spirits under Internal Revenue laws such as control of distilleries, bonded warehouses, and storekeeper-gaugers' assignments. The work was carried on in two sections: the Chemical Section and the Industrial Alcohol Section.

With the advent of Prohibition, one lab in Washington could no longer analyze all the samples nor could the chemists conveniently testify as witnesses in distant cities. Field laboratories were established during the 1920s in 18 cities. The chemists in the field labs analyzed samples submitted by agents, inspected breweries, and distilleries and appeared as expert witnesses in federal courts. The close relationship between the chemists and the enforcement of the laws is shown by the increasing number of days they spend as witnesses in court, at revocation hearings and lending their expertise in special investigations (from 994 days in 1919 to over 2,800 by 1931).

On April 1, 1927, the Prohibition Unit became a separate Bureau of Prohibition under the Treasury Department. The IACD was renamed the Technical Division and became a part of the Bureau of Prohibition. The Technical Division was responsible for the chemical work for both the Bureau of Internal Revenue and the Bureau of Prohibition.

On July 1, 1930 Treasury's Bureau of Prohibition was abolished and succeeded by the Bureau of Narcotics and the Bureau of Industrial Alcohol in the Treasury Department with enforcement activities transferred to a new Bureau of Prohibition in the Department of Justice. The Technical Division became a part of the Bureau of Industrial Alcohol and was now responsible for handling chemical analysis for the following bureaus: Industrial Alcohol, Narcotics, Prohibition and Internal Revenue.



Prohibition agents raid a "Speakeasy"

The Prohibition Era ended with the passage of the 21st Amendment in 1933. On March 10, 1934, an executive order transferred DOJ's Alcoholic Beverage Unit to Internal Revenue and combined it with the Bureau of Industrial Alcohol to form the Alcohol Tax Unit (ATU). The Division of Technology was also transferred to ATU to carry out analytical work required for protection of the revenue generated by the growing legal liquor industry.

Note: This article on the ATF Laboratory is part of a series that will be published commemorating its 100th anniversary. Anyone who has photos, publications or personal recollections about the lab should contact the Office of Public Affairs at (202) 566-7135.

Elliot Ness (front seat) and some of the "Untouchables"

Women

Continued From Page 1

Five female agents (Christine Higgins, DEA; Denise Orenge, USMS; Lil Queen, DIS; Phyllis Shantz, ATF; and Bonni Tischler, Customs) discussed the many problems faced by women trying to juggle a career in law enforcment with their personal lives. They addressed a wide range of problems confronting women, including having a satisfactory single life, maintaining a successful marriage, raising children, adopting children and the added stresses of a woman agent marrying another agent. ■

National Organization of Black Women in Law Enforcement (NOBWLE)

NOBWLE was organized on March 22, 1985 as a support group for black women. The organization is a network, and promotes the hiring of black women in Federal, state and local agencies. Other objectives include an annual gift to the United Negro College Fund and support to youth and community activities. Gladys Jones, Special Agent Hyattsville, serves as president of NOBWLE and Lenora "Lee" Alston, ATF Specialist, HQs Firearms & Explosives Division serves as secretary.

NOBWLE held its first annual training seminar on August 16 in Arlington, Virginia. The seminar was entitled, "Law Enforcement—A Progressive Career: How To Get the Job, Keep It, And Succeed". Workshops were offered on such topics as: Networking—"The Underground", Self-Defense—"How to Think and Fight on Your Feet", Stress Management—"Staying Alive and Well", and Sexual Harassment—"Are You Aware?"

Associate Director Phillip McGuire told the participants that, "ATF is fully supportive of NOBWLE and I am personally committed to supporting your organization's objectives." McGuire also said that, "A year ago, ATF's Office of Law Enforcement established the most comprehensive development program for women and minorities ever undertaken at the Bureau. The Minority Impact Program affects every phase of an agent's career, from recruitment through training and developmental assignments, to performance appraisals and promotions; and requires managers and supervisors to provide opportunities to women and minorities to allow them to demonstrate their talents."

Feedback from those who attended both groups' training seminars was very positive and shows the value of women sharing their problems with other women and drawing upon each other for possible solutions.

Support groups such as the Interagency Committee and NOBWLE are working hard to overcome obstacles to expanding opportunities for women in Federal law enforcement. According to Ms. Lyttle, women should, "Be resilient . . . Negotiate . . . Succeed in changing the behavior of the majority and not the values." ■

CSA Raid

GIVE
Be a blood donor.
It's a good feeling.
American Red Cross
Blood Services

PAL File

Special Agents are reminded to keep their Personnel Authenticator/-Locator File (PAL) up to date regarding their office of preference choices. Headquarters management reviews these preferences when considering assigning additional agents to a particular office or when funds are available to comply with an agent's transfer request for personal reasons such as family considerations. However, nothing can be more damaging to the program's success than an agent advising Headquarters that he/she is not interested when contacted about a possible move. Remember that you can change your preferences. If you have not recently reviewed or updated your PAL preferences, then consider doing it. ■

"We are an agency that cares"

At the recent Combined Federal Campaign (CFC) Kickoff at Headquarters, Director Higgins talked about how ATF employees have always given generously to blood drives, savings bond campaigns or the Combined Federal Campaign (CFC). He said, "We at ATF are givers, not takers."

CFC, the largest employee campaign in the world, brings help with dignity to families, the handicapped, children, the elderly and the ill. Your gift through payroll deduction or cash contribution continues the assistance for many CFC agencies who are dedicated to improving the quality of life for millions.

This year's campaign theme is "Make A Dream Come True—Give To the CFC". You may know someone who has received help from a CFC member agency or you may have helped by being a volunteer at one of them.

Most of us don't realize that the wealthiest people in the world are those who were born with and remain in "good health." Many CFC agencies are dedicated to improving the quality of life for millions through medical research and education. Whether you give through the CFC or give separately to an organization or serve as a volunteer, you can help dreams come true for those in need. As Director Higgins said, "We are an agency that cares."■

Lockbox

Compliance Operations managers were faced with the problem of how to handle the 80,000 to 90,000 yearly applications for firearms licenses and explosives licenses/permits and at the same time reduce costs and response time.

The staff of the Firearms & Explosives Operations Branch determined that they could streamline procedures if they implemented a Post Office box deposit system or Lockbox.

Under this system, an applicant sends the application and fee directly to a Post Office box designated for ATF. Seven of these lockboxes are set up in Dallas corresponding to the seven regional technical services offices. The lockbox operator initially screens the documents for signatures and correct fee remittance. If everything is in order, the operator deposits the check into an ATF depository account. The application and a photocopy of the check are forwarded to the appropriate F&E Licensing Section or Center servicing that geographical area. At a specified time each day, all funds are wire transferred into ATF's account with the U.S. Treasury Department. Applications that are in some way deficient are replaced in the original envelope, batched and sent to the F&E office for disposition.

Under the old system, applicants sent their applications and fees to the IRS Service Center in their region for initial processing. IRS would take 10-20 days before processing the checks and forwarding the applications to ATF. With the current lockbox system, applications are forwarded to the appropriate F&E Section or Center within one day.

In addition to the immediate deposit of funds and the reduction in processing time, processing expenditures have been reduced significantly. IRS formerly charged ATF approximately $.56 to process each application. There is no charge for the lockbox. First year savings alone for the lockbox project amounted to $47,956.

The Lockbox is just one example of how Compliance Operations personnel are implementing new ideas and procedures to enable the Bureau to meet its responsibilities in serving the public and overseeing the firearms, explosives and alcohol industries.■

Director addressing CFC kick off

ATF Profile

"Return Something To The Community"

"We are summoned by our history and our proudest traditions to give ourselves to the service of our neighbors and our nation. Voluntarism is the economy of love, and caring necessary to complement our free enterprise system."*

Ronald Reagan

"A healthy society needs to give freely, especially in volunteer situations that may be difficult," states John Colozzi, ATF Specialist in the Alcohol Import-Export Branch. Volunteering for over 40 years, Colozzi is continuing his family's tradition: "Always return something to the community."

Recently, Colozzi had been teaching newly arrived Hispanics to speak English at the El Centro Catolico Hispano and the Sacred Heart Adult Education Center in Northwest Washington. In 1985, in fact, he was made director of El Centro Catolico's Adult General Education Program. Although paid a salary, he returned it so that El Centro could buy books and other teaching materials.

John believes that it is important to not only learn English but encourages his students to appreciate and experience American culture. During a 20-lesson program, of his own design, he merges English training with the history and traditions of this country.

John described how his work at both centers gave him bittersweet satisfaction, "The picture may be dark for needy individuals, but when you're doing something positive to change it, you feel grateful . . . especially in your own life." While working with Hispanic immigrants, he has become more aware of the problems they face.

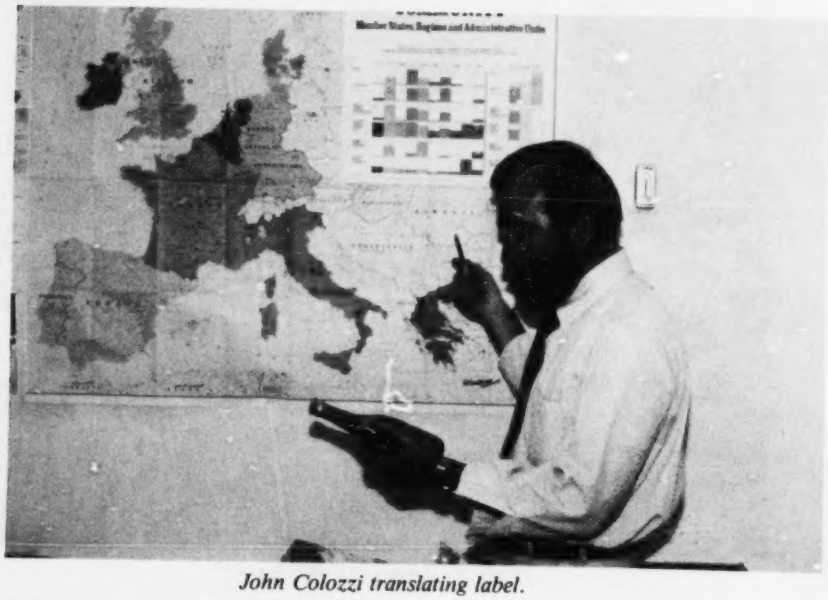
His next volunteer venture will be as a cultural ambassador and language expert with the English Speaking Union in their English in Action program. Here he will tutor foreign students and members from the diplomatic community.

John's language skill is not just limited to volunteer activities. An important aspect of the Alcohol Import-Export Branch is to develop alcoholic beverage market studies on targeted countries to determine if artificial barriers exist to U.S. trade. As an ATF specialist, John uses his language versatility (he understands four languages—English, Spanish, French and Russian) frequently in developing market study reports on the USSR, Latin America and Caribbean countries.

In 1985, while on detail in Santa Rosa, Colozzi used his free time to photograph and develop a slide show depicting wine production from working in the vineyards to bottling and the art of champagne making. So far, John has shown his 1 1/2 hour presentation to 15 community groups.

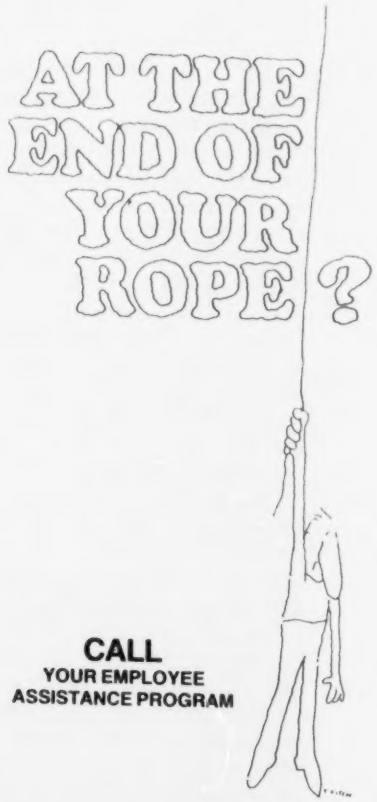
John is an avid wine enthusiast and was recently inducted into the Auslese Wine Society. The Society consists of only 12 members at any one time, and some have been with it for over 25 years.

The community spirit of ATF employees can make a difference. John Colozzi is but one example of what ATF employees are doing with their skills and background to serve their communities in various volunteer organizations. Give yourself a chance and help others. ■



John Colozzi translating label.

*Excerpt from the President's statement proclaiming National Volunteer Week, April 1986.



Recognition

James Cherolis, Chief, San Francisco Laboratory Center and *Ron Holmes*, Chief, Alcohol and Tobacco Laboratory at the National Laboratory Center were recently recognized with the "Management Achievement Award." Both were recognized for their leadership roles during several contaminated alcohol projects during the year. These projects included: DEG, methanol, sodium azide and haloacetic acids in wine; and ethyl carbamate in bourbon. The two laboratories had to develop fast, reliable and accurate procedures to determine the extent of the problems. This required outstanding coordination and cooperation between the Rockville and San Francisco labs with both managers showing their leadership and ability to get the job done with limited staffing available.■

Treasury Awards

On June 19, Secretary James A. Baker, III recognized various Treasury employees for their contributions at the 1986 Annual Awards Ceremony held at the Departmental Auditorium.

Twelve ATF employees were honored for their contributions. Under performance and suggestion awards, Secretary Baker recognized the following:
Richard A. Strobel, Chemist; *Kenneth B. Snow*, Chemist; *Benjamin L. Wilson*, Fingerprint Examiner; *Claude E. Eaton*, Document Examiner; *Marvin G. Rennert*, Document Examiner and *Lloyd Erwin*, Chemist—Special Act award for their efforts in connection with two national abortion clinic investigations in which they processed evidence and were able to supply agents with information that led to the arrest and prosecution of those responsible for the attacks.
James A. Schlosser, Seattle Special Agent—Sustained Superior Performance for leading the Seattle Arson Task Force in the successful completion of several significant arson/murder investigations.
Peter E. Urrea, Fresno Special Agent—Quality Step Increase for serving as lead investigator in SWD investigation into the manufacture, transportation and sale of automatic weapons and silencers.
Eugene Campbell, St. Paul Inspector—Suggestion Award for detecting problems with two ATF forms used in internal industry tax accounting. His suggested changes resulted in savings for the first installment in excess of $670,000.
Ronald E. Williams, Dallas Attorney—Sustained Superior Performance for high level of professionalism in all aspects of his job. Evidence of this was his presentation at two Compliance Training Conferences.

Under Cash Management Awards for Treasury employees, two ATF employees received this award which is the highest granted by the Department for specific achievements in the area of cash management. They were:
William T. Earle, Chief, F&E Division was honored for his insight in recognizing a more efficient and effective way to process licenses. The National Firearms and Imports Lockbox operation saves $100,000 annually.
Lenora Alston, ATF Specialist was honored for her determination and organizational abilities which led to implementation of the Lockbox operation.■

Workers' Compensation

The Office of Management and Budget has initiated a cost reduction objective for workers' compensation, due to the sharp increases in the cost of injury compensation throughout the Federal sector. ATF, whose 1985 compensation costs ($5 million) were four times the average cost of all the Treasury agencies, and over twice the costs of other comparable law enforcement agencies, fully supports this effort.

Bill Nickell, Assistant Director for Internal Affairs said, "No one ever knows when they'll need workers' compensation. Unfortunately, it has been misused by some, and fraudulently abused by a few. Those entitled to workers' compensation may feel they are under a cloud of suspicion. That's not true."

Nickell noted that during a review of the workers' compensation program, some mistakes were discovered and some irregularities were not easily explained. Evidence disclosed that a former ATF employee, in a Western state, had apparently defrauded the Government of over $130,000. He was indicted on 25 felony counts in December. AFT stands to recover the amount.

One of the most proven, effective methods to reduce compensation costs will be to offer jobs to claimants on the compensation rolls who are able to work. Employees are guaranteed reemployment in the same position or its equivalent, provided the disability is overcome and they can return to work within one year from the beginning of compensation. Director Higgins said, "While not obligated to place employees after one year, the policy at ATF will be to give those individuals who qualify priority consideration."

Law Enforcement has prepared a list of existing positions which can be offered to former special

Continued Page 8

Worker's Compensation Continued from Page 7

agents who are now on the compensation rolls, but who are determined to be capable of performing other work. Compliance Operations has also identified various positions that can be offered to former employees in this category.

Director Higgins said, "We'd like to see the system restored as the important safety net our employees and their families need." Anyone with questions concerning Workers' Compensation should contact Leslie Webb, HQs Employee Specialist at FTS 566-7253.

RETIREMENTS

William J. Bertolani, Jr.	Special Agent, Los Angeles
Lee Boyette, Jr.	Special Agent, Winston-Salem
Dale Chorpenning	Special Agent, HQs
Aaron Elliott	Special Agent-in-Charge, Houston
June Gober	Property/Case Report Specialist, Dallas
Jack Gross	Special Agent, Detroit
Irving I. Hershman	Inspector, Boston
Austin Muldoon	Special Agent, New York
Richard P. Pavlik	Speical Agent, New Haven
Chadwell P. Poland	Inspector, Baltimore
Carl Rogers	Special Agent, Macon
Donald R. Rudolf	Special Agent, Baltimore
Harold L. Sellers	Communications Specialist, HQs
Joe H. Slater	Special Agent, Fayetteville
John L. Smith, Jr.	Chief, Program Development & Monitoring Section, HQs
James Smyth	Special Agent, Atlanta
Robert Todd	Special Agent, Los Angeles
Lawrence L. Whatley	Special Agent, Los Angeles

PERSONNEL

The following promotions/transfers were recently made or selected:

Law Enforcement	**From**	**To**
Jimmy Adamcik	RAC, Baton Rouge	Operations Officer, Explosives Div., HQs
David L. Benton	SAC, Resources Br. Planning & Analysis Staff, HQs	ASAC, Kansas City
William Bollenberg	Operations Officer, Chicago	Group Supervisor, Chicago South
James L. Brown	SAC, Louisville	SAC, Miami
Edward D. Conroy	SAC, Miami	Chief, Planning & Analysis Staff, HQs
Michael Dodd	Operations Officer, Special Programs Div.,	Operations Officer, Explosives Div., HQs
Paul M. Durham	Chief, Planning & Analysis Staff, HQS	SAC, Birmingham
Thomas Gerrity	Operations Officer, Firearms Div., HQs	SAC, Firearms Tracing Br., HQs
Abner Haynes	Operations Officer, Explosives Div., HQs	SAC, Intelligence Br., HQS
Patrick Hynes	SAC, Programs & Procedures Br., HQs	ASAC, New York
John C. Killorin	Chief, Public Affairs Br., HQs	RAC, Hartford
William Krone	Group Supervisor, Chicago South	Operations Officer, Los Angeles
Thomas Lambert	RAC, Flint	Operations Officer, Explosives Div., HQs
Jerry Miller	RAC, Salt Lake City	Operations Officer, Special Programs Div., HQs
Margaret Moore	RAC, Melville	Operations Officer, Firearms Div., HQs
Nels Nelson	Operations Officer, Explosives Div., HQs	SAC, Arson Br., HQs
Steven J. Pirotte	SA, Denver	Drug Task Force Coordinator, Baltimore
Ted Royster	Group Supervisor, Fall Church	SAC, PRograms & Procedures Br., HQs
Larry Stewart	RAC, Long Beach	Operations Officer, Firearms Div., HQs
Floyd T. Truman	ASAC, Kansas City	SAC, Louisville
Joseph Vince	SAC, Intelligence Br., Special Operations Div., HQs	ASAC, Miami
Robert Wall	Operations Officer, Explosives Div., HQs	SAC, Explosives Br., HQs
Compliance Operations		
Jack Baker	Inspector, Louisville	Asst. Area Supervisor, Louisville
Clay Ballinger	Inspector, Cleveland	Special Inspector, Cincinnati
Hariett Bobo	Chief, Procedures Br., HQs	Chief, Tax & Trade Compliance Br., HQs
John Brooks	Management Examiner, Program Planning & Analysis Staff, HQs	Chief, Program Development & Monitoring Section, PPA Staff, HQS
Terry Cates	Chief, Tax & Trade Compliance Br., HQs	Chief, National Firearms Act Br., HQs
Tom George	Chief, Regulations & Procedures Br., HQs	Alcohol Advisor/Special Assistant to AD:CO
Richard Loberfeld	Inspector, Parsippany	Management Analyst, New York
Raymond Pazdzior	Specialist, Technical Section, Chicago	Supervisor, Technical Section, Chicago
Gary Schaible	Chief, NFA Br., HQs	Chief, Procedures Br., HQs
Audrey Stucko	Technical Advisor, New York	Specialist, Tax & Trade Compliance Br., HQs
Comptroller's Office		
Financial Management Division		
Carol A. Boitano	Systems Accountant, Consumer Product Safety Commission	Chief, Systems & Procedures Section
John Walker	Staff Assistant	Assistant Financial Manager (Accounting)

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